

Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

June 30, 1999

CERTIFIED RETURN RECEIPT P 074 976 731

Thomas Waite
Bob Hughes
Yankee Gold and Silver Company
677 Country Club Drive
Stansbury Park, Utah 84074

Re: Notice of Delinquent Permit Fees, Minerals Reclamation Program, Buffalo Mine, S/045/035, Tooele County, Utah

Dear Messrs. Waite and Hughes:

This is the second year for the implementation of the annual permit fees, as authorized by the Utah State Legislature during the 1998 legislative session. The purpose of the fee collection is to provide funding for additional program assistance in processing and maintaining mining and exploration permit applications and for inspection of those sites. As a result of the fees received to date, we have been able to fund one additional technical staff member for the minerals reclamation program. The Minerals rules have been updated to include the requirement for payment of annual permit fees. The rules require annual payment of permit fees by the last Friday of July as authorized by the Utah Legislature.

As you were made aware in the 1998 billing notice, if the site is fully reclaimed and you do not wish to keep your permit active, you may check the box requesting a site inspection. This will suspend your fee payment until the Division can perform a site inspection. If the site is stabilized and meets the 70% pre-mining revegetation success standard, then the operator can be released and the case file closed.

To date, we have had no response from you regarding the payment of the required annual permit fee. Our file records indicate that the permit is still active for this site. The annual permit fee(s) must be filed to keep your permit in effect. We are now in the second year of permit fee assessment and you are responsible for the 1998 and 1999 fees. If payment or a written response is not received from you by July 30, 1999, we have no other alternative than to seek

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revocation of your permit and turn your account over to the Utah Office of Debt Collection (ODC) for collections. You will be responsible for past due interest, penalties, and a collection fee. Revocation of your permit will not release you from any outstanding reclamation requirements on the project area. Please help us avoid this action by contacting us immediately.

If you have any questions regarding this letter, please contact me at (801) 538-5286 or Joelle Burns at 538-5291. Thank you for your immediate attention to this matter.

Sincerely,

D. Wayne Hedberg Permit Supervisor

Minerals Regulatory Program

D. Wayne Hedberg

jb Enclosure: billing statement s45-35.del



Governor
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YANKEE GOLD & SILVER COMPANY 677 COUNTRY CLUB DR STANSBURY PARK UT 84074

ATTENTION: THOMAS WAITE/BOB HUGHES

ANNUAL PERMIT FEE	Annual Permit Fees (July 1999 thru June 2000)			
PROJECT NAME	PROJECT ID	ACRES	BILLING DATE	
BUFFALO MINE	S450035	NA NA	06/30/1999	
PERMIT TYPE	PROJECT STAT	rus	ANNUAL FEE	
SMALL MINING OPERATION < 5 ACRES	INACTIVE		\$ 100	
			PAST DUE	
			\$ 100	
		DUE DATE	AMOUNT DUE	
		7/30/1999	\$ 200	

Please see enclosed instructions for payment.

Please retain this portion for your records. For billing Information call (801) 538-5291

This portion MUST be returned with your payment to ensure proper credit. THANK YOU

YANKEE GOLD & SILVER COMPANY			PROJECT NAME BUFFALO MINE		PROJECT ID		
					S450035		
DUE DATE	ANNUAL FEE	PAST DUE	AMOUNT DUE	FEE NOT ENCLOSED	Change of Address		
7/30/1999	\$ 100	\$ 100	\$ 200	Permittee requests	Contact		
			an inspection to close out this permit.				
					Address		
DIVISION OF OIL GAS AND MINING 1594 WEST NORTH TEMPLE SUITE 1210			State Zi				
PO BOX 145801 SALT LAKE CITY UT 84114-5801			Phone	<u>-</u>			